

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7033

BILL NUMBER: HB 1363

NOTE PREPARED: Jan 15, 2008

BILL AMENDED:

SUBJECT: Solid Waste Management Districts.

FIRST AUTHOR: Rep. Candelaria Reardon

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a solid waste management district has the power to determine whether an applicant for a permit for a solid waste disposal facility or solid waste processing facility, except for a transfer station, that would be located in the district has demonstrated that there is a local need for the facility based on the district solid waste management plan. A permit may not be issued for a solid waste disposal facility if the solid waste management district in which the facility would be located determines that there is not a local need for the facility in the district.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues: The bill could result in fewer permits being issued for solid waste disposal facilities which would result in fewer permit and annual operations fees being collected by the state. The specific impact is indeterminable, but would depend on the number of facilities that would have opened were it not for this proposal. Fees collected from waste facilities are deposited in the Environmental Management Permit Operation Fund, which is used to fund permitting operations of the Indiana Department of Environmental Management (IDEM).

Background. Solid waste disposal facilities are subject to state application fees and annual operations fees. There are also specific fees for generators and other disposal fees. Annual operating fees can be as high as \$35,000. Application fees for a permit for a new facility or modification of an existing facility can be as high as \$31,000, depending on the type of facility. Disposal sites also collect the solid waste management fee,

which generates \$5.3 M in state revenue a year.

Explanation of Local Expenditures: The bill could increase administrative expenditures for solid waste management districts. However, the impact is not expected to be significant.

Background. The bill includes in the powers of a solid waste management district the power to determine whether a solid waste disposal facility or solid waste processing facility is needed based on the district solid waste management plan approved by IDEM. The bill provides that a person that applies for a solid waste disposal facility must submit certain information to the solid waste management district in which the facility would be located. Under existing law, the person only has to submit the information to IDEM.

If the solid waste management district determines that there is not a local need, the person may not receive a permit. If a permit is denied, the solid waste management district must provide the person with a statement describing the reasons the district denied the permit. Under existing law, IDEM determines local or regional need for the solid waste disposal facility.

There are 68 solid waste management districts. The primary sources of revenue for the districts are property taxes, service fees, intergovernmental grants, and miscellaneous revenue.

Explanation of Local Revenues:

State Agencies Affected: IDEM

Local Agencies Affected: Solid waste management districts.

Information Sources:

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